

ASSEMBLY BILL

No. 1098

Introduced by Assembly Member Quirk-Silva

February 22, 2013

An act to amend Section 16000 of the Business and Professions Code, relating to business licenses.

LEGISLATIVE COUNSEL'S DIGEST

AB 1098, as introduced, Quirk-Silva. Business licenses: city licensure.

Existing law authorizes the legislative body of an incorporated city to license businesses within the limits of its jurisdiction, as specified. Existing law requires any legislative body that fixes the rate of license fees upon a business operating both within and outside the legislative body's taxing jurisdiction to levy the license fee so that the measure of the fee fairly reflects that proportion of the activity actually carried on within the taxing jurisdiction.

This bill would make a nonsubstantive change to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 16000 of the Business and Professions
- 2 Code is amended to read:
- 3 16000. (a) The legislative body of an incorporated city may,
- 4 in the exercise of its police power, and for the purpose of
- 5 regulation, as herein provided, and not otherwise, license any kind
- 6 of business not prohibited by law transacted and carried on within
- 7 the limits of its jurisdiction, including all shows, exhibitions and

1 lawful games, and may fix the rates of the license fee and provide
2 for its collection by suit or otherwise. ~~Any~~ A legislative body,
3 including the legislative body of a charter city, that fixes the rate
4 of license fees pursuant to this subdivision upon a business
5 operating both within and outside the legislative body's taxing
6 jurisdiction, shall levy the license fee so that the measure of the
7 fee fairly reflects that proportion of the activity actually carried
8 on within the taxing jurisdiction.

9 (b) No license fee levied pursuant to subdivision (a) that is
10 measured by the licensee's income or gross receipts, whether levied
11 by a charter or general law city, shall apply to any nonprofit
12 organization that is exempted from taxes by Chapter 4
13 (commencing with Section 23701) of Part 11 of Division 2 of the
14 Revenue and Taxation Code or Subchapter F (commencing with
15 Section 501) of Chapter 1 of Subtitle A of the Internal Revenue
16 Code of 1986, or the successor of either, or to any minister,
17 clergyman, Christian Science practitioner, rabbi, or priest of any
18 religious organization that has been granted an exemption from
19 federal income tax by the United States Commissioner of Internal
20 Revenue as an organization described in Section 501(c)(3) of the
21 Internal Revenue Code or a successor to that section.

22 (c) Before a city, including a charter city, issues a business
23 license to a person to conduct business as a contractor, as defined
24 in Section 7026, the city shall verify that the person is licensed by
25 the Contractors' State License Board.